

MANAGEMENT PAY PLAN GUIDELINES AND PROCEDURES

The purpose of this communication is to provide department heads, personnel officers, and other key managers with information needed to administer the new Management Pay Plan that became effective Pay Period 1, 2008. The authority for the new pay plan is found in Part II, Section 12 of the 2008 Salary Ordinance.

Performance Reviews Required

Beginning in 2008, annual performance plans and reviews are required for **all** Management Pay Plan employees, including employees serving a probationary period, temporary appointees, exempt appointees, and those at the maximum of their salary grade. Elected officials are excluded.

It is the responsibility of the appointing authority in each department to determine the form that will be used to document job performance and ensure that performance plans and reviews take place each year. To assist with this effort, senior-level managers have been attending training sessions in performance planning and review sponsored by Employee Relations. Briefings for managers who receive performance reviews but who do not supervise other Management Pay Plan may be scheduled. Departments interested in scheduling this type of training should contact Andrea Knickerbocker, Human Resources Manager, at 286-3387.

A template form for the performance review processes is included in a separate document. The performance planning and review process is to include the description of and feedback on the following essential components.

- Key job responsibilities
- Key job competencies
- Key accomplishments from the previous year
- Goals and objectives for the coming year, and
- Development plans for the coming year.

Annual performance reviews are intended to truly be a review of feedback that the employee has received throughout the year. Ongoing coaching of employees by managers is emphasized. The components of the performance review are to be linked to the department's mission, vision and performance indicators. For cabinet departments, performance reviews are linked to Accountability in Management (AIM) goals and objectives.

At the end of each quarter, departments will provide the following information to the Department of Employee Relations via a spreadsheet. This spreadsheet will be emailed to departments each quarter.

- The name, job title, race, gender, date of appointment to current position, and current biweekly salary for each Management Pay Plan employee who received a review during the quarter
- The date or dates annual performance reviews were conducted
- Whether or not the manager received a 3.1% increase and rating
- Whether the 3.1% increase was delayed or denied

In addition to the above information, departments will provide the following information to Employee Relations for the fourth quarter:

- The name, job title, race, gender, date of appointment to current position, and current biweekly salary for each employee nominated for an Exceptional Achievement Award

- The name, job title, race, gender, date of appointment to current position, and current biweekly salary for each employee nominated for a Professional Development Award.

Employee Relations will monitor and track the results of performance reviews, Exceptional Achievement Awards, and Professional Development Awards on a City-wide basis and submit reports to policy makers regarding these actions. In addition, cabinet departments will provide feedback on performance reviews during AIM meetings with the Mayor.

Annual Increments During 2008

As illustrated on page 3, each Salary Grade in the Management Pay Plan is now an open range with a set minimum and maximum, devoid of designated pay steps. Management employees who have not yet reached the top of their salary grade and receive a rating of fully successful or better during their performance review will receive a 3.1% increment on their salary anniversary date subject to the maximum of their grade or the Mayor's salary. Managers who do not receive a rating of fully successful may have their 3.1% increment delayed or denied. *Please note that departments who intend to delay or withhold a 3.1% increment must notify Andrea Knickerbocker in the Department of Employee Relations at 286-3387 prior to such action taking place.* It is critical that a department communicate to the employee what changes in performance are required in order to receive a "fully successful" rating. Ongoing coaching, a formal Performance Improvement Plan, or referral to the City's Employee Assistance Program may be appropriate. It should also be noted that a Management Pay Plan employee may appeal the decision to delay or withhold a salary increase to the City Service Commission.

Calculating and Entering Annual Increments onto HRMS

A 3.1% annual increment is calculated by multiplying a manager's current bi-weekly salary by 1.031 and is capped at the maximum of the salary grade or the Mayor's salary. A specific procedure on calculating and entering this information onto PeopleSoft HRMS has been communicated to payroll personnel. Please contact Chuck Schumacher, Certification & Salary Systems Administrator at 286-3394 or Marie Pettigrew, Pay Services Specialist at 286-2949 if there are questions.

Promotional Pay Increases

Promotional pay increases will be determined by the job category to which an employee is being promoted. Each position in the Management Pay Plan has been designated as Professional, Management, or Leadership. A listing of all positions and designations will be available in the near future.

Beginning Pay Period 1, 2008, an employee promoted to a position designated as Professional will receive a 3% promotional pay increase; an employee promoted to a position designated as Management (supervisory) will receive a 5% promotional pay increase; and an employee promoted to a position designated as Leadership will receive a 7% promotional pay increase.

Calculating and Entering Promotions on HRMS

A promotional increase (3%, 5%, or 7%) is calculated by multiplying a manager's current biweekly salary by 1.03, 1.05, or 1.07. The resulting salary must be at least the minimum of the new Salary Grade and may not exceed the maximum of the new Salary Grade or the Mayor's salary. Promotional pay increases must be approved by Employee Relations prior to implementation. A specific procedure on calculating and entering this information onto PeopleSoft HRMS will be communicated to payroll personnel. Please contact Chuck Schumacher, Certification & Salary Systems Administrator at 286-3394 or Marie Pettigrew, Pay Services Specialist at 286-2949 if there are questions.

Appointment Above the Minimum of the Salary Grade

In the event it becomes necessary to appoint an employee at a rate above the minimum of the Salary Grade, upon approval of Employee Relations and the Chair of the Committee on Finance and Personnel, appointment may be authorized up to a maximum rate of 60 percent of the range associated with a Salary Grade. This provision applies to new hires and promotions. Appointment above the minimum of the salary grade may be offered only after an approval is granted. The Guidelines for requesting a special appointment rate are provided in a separate communication. The calculation used to determine the maximum recruitment rate is:

$$[(\text{Salary Grade maximum} - \text{Salary Grade minimum}) \times 60\%] + \text{Salary Grade minimum}$$

The following table with Salary Grades and associated calculations are provided for reference.

Salary Grade Information For the Management Pay Plan 2008 Rates

For informational purposes only—official rates are biweekly.

Salary Grade	Minimum	Midpoint	Exceptional Achievement Award 1% of Midpoint	Maximum Appointment Above Minimum Rate 60% of Range	Maximum
1	\$36,507	\$43,807	\$438	\$45,267	\$51,106
2	\$38,902	\$46,679	\$467	\$48,234	\$54,455
3	\$41,458	\$49,747	\$497	\$51,405	\$58,037
4	\$44,194	\$53,032	\$530	\$54,800	\$61,871
5	\$47,109	\$56,533	\$565	\$58,418	\$65,957
6	\$50,206	\$60,251	\$603	\$62,260	\$70,295
7	\$53,519	\$64,220	\$642	\$66,361	\$74,922
8	\$57,028	\$68,432	\$684	\$70,713	\$79,836
9	\$60,809	\$72,969	\$730	\$75,401	\$85,129
10	\$64,805	\$77,767	\$778	\$80,359	\$90,728
11	\$69,090	\$82,906	\$829	\$85,669	\$96,722
12	\$73,627	\$88,352	\$884	\$91,297	\$103,077
13	\$78,469	\$94,166	\$942	\$97,306	\$109,864
14	\$83,653	\$100,386	\$1,004	\$103,732	\$117,118
15	\$89,161	\$106,992	\$1,070	\$110,558	\$124,823
16	\$95,030	\$114,040	\$1,140	\$117,842	\$133,049
17	\$101,294	\$121,554	\$1,216	\$125,607	\$141,815
18	\$107,973	\$129,566	\$1,296*	\$133,885	\$151,159*
19	\$115,085	\$138,099	\$1,381*	\$142,702	\$161,113*

**In no case shall the salary of any City official exceed the salary of the Mayor. This includes the addition of a Professional Development Award of \$700 and/or a 1% Exceptional Performance Award. The Mayor's salary as of Pay Period 10, 2008 (May 4, 2008) will be \$147,335.76.*

Exceptional Achievement Awards

The purpose of the Exceptional Achievement Awards Program is to formally recognize and reward management employees whose job performance has been significantly and demonstrably above the level of fully successful during the rating period. Since "fully successful" is intended to be a high standard of professional and managerial job performance, employees must truly perform at an outstanding level to receive an Exceptional Achievement Award.

All Management Pay Plan employees, including those at the maximum of their Grade and those serving a probationary period, are eligible for an Exceptional Achievement Award. Elected officials are not eligible for these awards. As noted in the table on page 3, Exceptional Achievement Awards will be calculated at 1% of the midpoint of the employee's Salary Grade. These awards must be approved by Employee Relations and employees are limited to receiving one such award during a 12-month rating period.

It is the responsibility of the Department of Employee Relations to:

- Develop guidelines and administrative procedures for the Program
- Assist departments in establishing criteria for Awards
- Disseminate information regarding the Program to employees
- Review and approve nominations for Awards
- Monitor Awards granted and submit reports to the Common Council and Mayor, highlighting achievements of Management Pay Plan employees
- Evaluate the effectiveness of the Program and recommend changes where warranted.

It is the responsibility of department heads to:

- Develop specific criteria for Exceptional Achievement Awards within their department consistent with the department's mission, goals, and performance review process
- Determine which employees, if any, warrant nomination for an Award.
- Communicate the criteria for an Exceptional Achievement Award to Management Pay Plan employees in their department.
- Provide feedback to Employee Relations regarding the program, including recommended changes.
- Manage the program in a fiscally responsible manner by limiting the number of employees nominated for awards to a maximum of 20% of the eligible workforce within their department.
- Submit the justification for each award and all required documentation to the Department of Employee Relations in a timely manner.

To receive an Exceptional Achievement Award, an employee must have achieved exceptional results during a rating period that were significantly above and beyond "fully successful." Secondly, the employee's achievements must have advanced the goals and objectives of his or her department and the strategic goals of the City. Thirdly, the employee's achievements must be documented and verifiable.

It is important to note that the term "fully successful" connotes an employee who performs the job well. Although it is a relatively high standard, the vast majority of employees will be expected to attain it. A "fully successful" employee would be expected to set and accomplish goals on time, produce work of a good quality, improve work processes, and model the kinds of behaviors that advance the goals of the organization.

A fully successful employee may have areas of strength and may also have some areas that warrant development. Overall, though, the employee is "fully successful" in performing his or her job. In addition, over the time span of a career, some employees who are "fully successful" may perform exceedingly well during one or more 12-month rating periods, above and beyond expectations, and be eligible for an Exceptional Achievement Award. Likewise, it is possible that, over the course of a 20 or 30-year career, employees who have been "fully successful" for many years may not meet the standard of fully successful during a 12-month rating period.

In deciding whether an employee should receive an award, department heads should consider specific examples of the employee's achievements and behavior and answer the following questions:

1. What results has the employee achieved that makes his or her performance truly outstanding?
2. What distinguishes the performance of this employee above that of other employees?

3. How does the employee model excellence in job performance and promote a positive image of public service?
4. Considering “fully successful” performance; how is this employee outstanding?
5. How did the employee’s achievements advance the department’s goals?
6. How did the employee’s achievements advance the City’s strategic mission?
7. What impact did the employee’s job performance have upon the department, the City, or public service?

Examples of extraordinary resourcefulness, initiative, or ingenuity displayed by the employee, unusual amounts of work completed, or exceptional quality of work completed, should be readily available. Generally speaking, accomplishments fall into one of these four broad areas:

- Financial impact: cost savings or cost avoidance
- Customer satisfaction
- Processes, including workflow processes
- Organizational capability, including the capabilities of employees

Examples of accomplishments that could be eligible for awards include, but are not limited to the following.

Sustained excellent performance such as:

- Consistently exceeding departmental goals established through the budget, specific performance measures, or goals established in the Mayor’s AIM Program.
- Consistently going above and beyond what is required to deliver outstanding customer service for internal or external customers.
- Consistently developing others by:
 - Making special efforts to recognize excellence in others
 - Creating multiple opportunities for employees to develop professionally, such as creating opportunities for job enrichment, offering special projects, mentoring employees, advocating skill training or formal education, and coaching employees
 - Increasing awareness of and respect for different cultures in the workplace
 - Taking positive steps to promote diversity in the workplace

Outstanding one-time accomplishments such as:

- Developing or implementing an idea that results in significant savings in time, materials, or resources; or significantly enhances customer satisfaction
- Developing new processes that reduce waste, stretch resources, or eliminate unnecessary actions
- Performing extra duties substantially beyond those normally assigned
- Volunteering for and/or working on special projects that have a high positive impact upon one’s section or department
- Making significant contributions to the success of a team, committee, or task force.
- Completing a project or program that has a significant impact upon departmental or City operations

For the rating year that occurs during 2008, department heads must submit the names of employees nominated for an Exceptional Achievement Award to Compensation Services in the Department of Employee Relations by mid-January, 2009. The format to nominate an employee for an Exceptional Achievement Award is provided in a separate document.

Professional Development Awards

The purpose of the Professional Development Awards Program is to encourage and support Management Pay Plan employees in upgrading their skills and competencies to allow the City to meet greater demands for service, innovation, and fiscal stewardship. Eligible employees, when approved, will receive a monetary award of \$700.00 for attaining a professional degree, designation, or certification that is not required by the job, but enables the employee to add value to his or her department in a way that is related to the mission, goals, and objectives of the department. Employee Relations must approve each of these Awards prior to implementation. All Management Pay Plan employees, excluding elected officials, are eligible to be considered for this award.

It is the responsibility of the Department of Employee Relations to:

- Develop guidelines and administrative processes for the Awards Program
- Assist departments in establishing criteria for Awards and facilitate the establishment of and operation of professional development committees
- Review and approve nominations for Awards.
- Monitor Awards granted and submit reports to the Common Council and Mayor, highlighting achievements of Management Pay Plan employees.
- Disseminate information to all employees eligible to be included in the program.
- Evaluate the effectiveness of the program and recommend changes where warranted.

It is the responsibility of department heads to:

Develop specific criteria for Professional Development Awards within their department relevant to and consistent with occupational and professional standards and guidelines from the Department of Employee Relations.

- Establish the criteria for Professional Development Awards
- Determine which employees, if any, warrant nomination for an Award.
- Communicate the criteria for a Professional Development Award to Management Pay Plan employees in their department.
- Provide feedback to Employee Relations regarding the program, including recommended changes.
- Manage the program in a fiscally responsible manner.
- Submit the justification for each Award and all required documentation to the Department of Employee Relations in a timely manner.

Employee Relations recommends that department heads establish a professional development committee in their respective departments to create the criteria for Professional Development Awards.

To qualify for a Professional Development Award, an employee's achievement must be above the minimum qualifications for the job and also:

1. Be related to the employee's current job or a reasonable promotional opportunity
2. May include competency testing or certification
3. Be issued by an industry recognized professional association, certification program or accredited institution of higher education
4. Enable the employee, upon successful completion, to perform his or her job at a higher level of competency or add value to the department

Examples of certification programs eligible for this award include: Certified Professional Environmental Auditor (CPEA), Certified Planner (AICP), Professional Engineer (PE), Oracle 9i Database Administrator Certified Master, Certified Management Accountant (CMA), Certified Internal Auditor (CIA), Accreditation in Public Relations (APR), Certified Public Accountant (CPA), Senior Professional in Human Resources (SPHR), Certified Employee Benefits Specialist (CEBS), Water Resources Engineering (DWRE), Certified Safety Professional (CSP).

In addition, departments may develop criteria for Professional Development Awards that are not tied to a specific certification. The criteria, however, must be widely accepted in an occupation or profession and denote a significant accomplishment. The key aspect of a Professional Development Award is that the development enables the employee to perform the job at a higher level of competency or adds value to the department.

The form to apply for a Professional Development Award is provided in a separate document.

Across-the-Board Increase in 2008

An across-the-board increase of 2% has been granted for Management Pay Plan employees effective Pay Period 1, 2008.

Changes in 2007 that Continue in 2008

Tuition Benefits in 2007-2008

For the two-year calendar period of 2007 and 2008, tuition benefits are a combined maximum of \$2,400. Up to \$500 may be used for job-related licenses or certifications and up to \$2,400 may be used for job-related membership dues.

Vacation and Sick Leave

Effective Pay Period 13, 2007, new Management Pay Plan employees were permitted to use vacation and sick leave, upon hire, as it is accrued.

Additional Vacation Upon Appointment

If it is in the best interest of the City, a department head may request that a candidate for a Management Pay Plan job receive three weeks of paid vacation at the time of hire instead of the standard two weeks. Approval by Employee Relations and the Chair of the Committee on Finance and Personnel is required to implement such a request.

Access to Guidelines and Procedures

These guidelines and procedures, as well as additional information on the Management Pay Plan including related Common Council files, will be posted on the Department of Employee Relations website under Compensation Services.